

The special meeting of the Greenville City Council was called to order by Mayor Hoppough. This meeting was held virtually via Zoom in Greenville, Michigan 48838 at 6:00 p.m.

Present: Mayor Hoppough; Councilpersons Linton, Cunliffe, Lehman, Barrus, Scoby, and Moss; City Manager Bosanic; and Clerk-Finance Director Rasmussen.

Absent: None

1. The Pledge of Allegiance was led by Mayor Hoppough.

Public Hearing

2. To receive comment on the proposed City of Greenville Budget for Fiscal Year 2020-2021.
 - a. Mayor Hoppough opened the public hearing at 6:08 p.m.
 - b. Mayor Hoppough closed the public hearing at 6:08 p.m. after receiving no comments.

New Business

3. Council considered the approval of the proposed City of Greenville Budget for Fiscal Year 2020-2021.

Councilperson Lehman MOVED: To adopt the proposed 2020-2021 Fiscal Year Budget as presented. Councilperson Moss seconded. Unanimously adopted.

4. Council considered the adoption of Resolution No. 20-06, a resolution to authorize the issuance of General Obligation Limited Tax Bonds in connection with the Wastewater Treatment Plant Renovation/Expansion and SAW Projects.

Councilperson Lehman RESOLVED: To approve Resolution No. 20-06, a resolution to authorize the issuance of General Obligation Limited Tax Bonds in the amount not to exceed \$4.3 million in connection with the Wastewater Treatment Plant Renovation/Expansion and SAW projects:

WHEREAS, pursuant to Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”), the City of Greenville (the “City”) has the authority to issue bonds to pay the costs of any capital improvement items; and

WHEREAS, the City desires to plan, design, permit, purchase, acquire, construct, and install certain capital improvements, including, but not limited to, improvements to the City's Sanitary Sewer System including, but not limited to, improvements to the wastewater treatment facility, including, but not limited to, pump replacement, mixing system addition, and cathodic protection in the existing sludge storage tank; replacement of submersible raw influent pumps and providing submersible mixers in the existing raw influent wet well, a new secondary digester tank and membrane gas cover, an expansion of the Digester Building, and all related electrical, controls, process piping, site piping, architectural, mechanical, HVAC, site grading and restoration work; improvements to collection system, including, but not limited to, the repairing and replacing sewer mains, installing new sewer mains, storm sewer separation improvements, lift station improvements; and the restoration of streets, rights-of-way and easements affected by the improvements and related facilities, as well as all work, equipment, and appurtenances necessary or incidental to these improvements (the "Improvements"); and

WHEREAS, the Improvements will enable the City to provide more efficient and better quality public services to City residents; and

WHEREAS, to finance the cost of making the Improvements the City Council deems it necessary to borrow funds and to issue its General Obligation Limited Tax Bonds, Series 2020 therefor pursuant to the provisions of Act 34.

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. NECESSITY. It is necessary for the public health, safety, and welfare of the City to acquire the Improvements and issue bonds of the City, pursuant to Act 34 to finance the cost of acquiring the Improvements.
2. PERIOD OF USEFULNESS. The estimated period of usefulness of the Improvements is determined to be in excess of twenty (20) years.
3. ISSUANCE OF BONDS. To defray a portion of the cost of acquiring the Improvements, including legal, engineering, financial and other expenses, the City shall issue its bonds known as General Obligation Limited Tax Bonds, Series 2020 (the "Bonds"), in the aggregate principal amount of not to exceed \$4,300,000, as finally determined by the Authorized Officer (defined below) in an order signed by the Authorized Officer (the "Sale Order"). The balance of the cost of acquiring the Improvements, if any, shall be paid by grants or funds appropriated by the City.

4. BOND TERMS. The Bonds shall be issued in fully registered form as to both principal and interest, in minimum denominations of \$100,000 each, or any multiple of \$5,000 above that amount or such other denominations determined by the Authorized Officer (“Authorized Denominations”). The Bonds shall be numbered consecutively in the order of their registration; shall be dated the date of delivery or such other date determined by the Authorized Officer in the Sale Order, and shall be payable serially or as term bonds with mandatory sinking fund redemptions on the dates and in the amounts determined by the Authorized Officer in the Sale Order. The Bonds shall bear interest at a rate or rates, payable semiannually on such dates, all as determined by the Authorized Officer in the Sale Order. The Authorized Officer may determine or alter the Bond terms within the parameters of this resolution as hereafter provided.

5. PAYMENT OF PRINCIPAL AND INTEREST. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America to the person appearing on the Bond registration books as the registered owner thereof. Payment of interest on the Bonds shall be paid to the registered owner at the address as it appears on the registration books, as of the determination date. Initially, the determination date shall be the date as of the fifteenth (15th) day of the month prior to the payment date for each interest payment; however, the determination date may be changed by the City to conform to market practice.

6. PLEDGE OF LIMITED TAX FULL FAITH AND CREDIT, GENERAL OBLIGATION. The City intends to pay the debt service of the Bonds from its Sewer Fund. As security for the payment of the Bonds, the City hereby pledges its limited tax, full faith and credit, general obligation for the prompt payment of the principal of and interest on the Bonds as and when due. Each year, the City shall be obligated, as a first budget obligation, to advance money from its General Fund to pay the principal of and interest on the Bonds. In the event there are insufficient moneys for the payment of principal of and interest on the Bonds, the City shall levy a tax on all taxable property in the City for the prompt payment of principal and interest on the Bonds, which tax shall be limited as to rate and amount by applicable constitutional, statutory and charter limitations on the taxing power of the City.

7. PRIOR REDEMPTION. The Bonds shall be subject to redemption prior to maturity as determined by the Authorized Officer at the time of sale.

8. PAYING AGENT AND REGISTRATION.

a) Appointment of Paying Agent. From time to time the Authorized Officer is authorized to designate and appoint a Paying Agent (the “Paying Agent”), which may also act as transfer agent and bond registrar, and is authorized to remove the Paying Agent and appoint a successor Paying Agent. The initial Paying Agent shall be appointed by the Authorized Officer. In the event of a change in the Paying Agent, notice shall be given in writing by certified mail to each Registered Owner not less than sixty (60) days prior to the next interest payment date. The Paying Agent shall keep the official books for the recordation of the Registered Owners of the Bonds.

b) Book-Entry Eligible. At the option of the initial purchaser of the Bonds, the Bonds may be issued initially in book-entry-only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for DTC. If this option is selected, DTC will act as securities depository for the Bonds, purchase of the Bonds will be made in book-entry-only form, in Authorized Denominations and purchasers will not receive certificates representing their interest in Bonds purchased. Payment of principal and interest will be made by the Paying Agent to DTC. While the Bonds are held in book-entry-only form, then the Bonds shall be transferred in accordance with the procedures established by DTC. So long as the Bonds are registered to DTC or another bond depository, the Paying Agent or bond registrar shall have no responsibility with respect to such transfers. The Authorized Officer shall have the authority from time to time to appoint a successor depository trustee to serve in the place of DTC. While the Bonds are issued in book-entry-only form the Paying Agent shall serve as paying agent only.

c) Registration of Bonds Outside of Book-Entry-Only. In the event the book-entry-only system is not selected or is discontinued, the following provisions would apply to the Bonds. Registration of the Bonds shall be recorded in the registration books of the City kept by the Paying Agent. Bonds may be transferred only by submitting the same to the Paying Agent, together with a satisfactory instrument of transfer signed by the Registered Owner or his legal representative duly authorized in writing, after which a new Bond or Bonds shall be issued by the Paying Agent to the transferee (new registered owner) in the amount of the aggregate principal balance of the Bonds transferred. No transfer of Bonds shall be valid unless and until recorded on the bond registration books in accordance with the foregoing. The person in whose name any bond is registered may for all purposes, notwithstanding any notice to the contrary, be deemed and treated by the City and the Paying Agent as the absolute owner thereof, and any payment of principal and interest on any Bond to the Registered Owner thereof shall constitute a valid

discharge of the City's liability upon such Bond to the extent of such payment. No Bond shall be transferred less than fifteen (15) days prior to an interest payment date nor after the Bond has been called for redemption. So long as the Bonds are registered to DTC or another bond depository, the Paying Agent, acting as bond registrar, shall have no responsibility with respect to such transfers.

9. BOND FORM. The Bonds shall be substantially in the form attached hereto as Exhibit A, and incorporated herein, with such changes as are recommended by the City's Bond Counsel and approved by the officers of the City signing the Bonds, whose signature thereon shall be conclusive evidence of such approval.

10. EXECUTION OF BONDS. The Mayor or the Mayor Pro Tem, and the Clerk or the Deputy Clerk of the City are hereby authorized and directed to sign the Bonds, either manually or by facsimile signature, on behalf of the City. Upon execution, the Bonds shall be delivered by the City to the purchaser thereof upon receipt of the purchase price in accordance with the accepted bid therefor, plus accrued interest, if any, to the date of delivery.

11. BONDS MUTILATED, LOST OR DESTROYED. If any Bond shall become mutilated, the City, at the expense of the holder of the Bond, shall execute, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this Resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the Paying Agent and, if this evidence is satisfactory to both the City and the Paying Agent and indemnity satisfactory to the Paying Agent shall be given, the City, at the expense of the owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like tenor, which shall bear the statement required by Act 354, Public Acts of Michigan, 1972, as amended, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same without surrender thereof.

12. BOND PAYMENT FUND. For payment of principal of and interest on the Bonds, there shall be established and maintained a debt service fund for the Bonds (the "Bond Payment Fund"). The accrued interest, if any, and capitalized interest, if any, received at the time of delivery of the Bonds and such amount of any premium determined by the Authorized Officer shall be placed into the Bond Payment Fund. The City shall budget annually a sufficient amount to pay the annual principal of and interest on the Bonds and deposit such amount in the

Bond Payment Fund as needed to make payments of principal and interest as they become due. Moneys in the Bond Payment Fund shall be expended solely for payment of principal and interest on the Bonds that first come due. Any monies remaining in the Bond Payment Fund after the annual payments of principal of and interest on the Bonds shall be transferred to the Sewer Fund or General Fund and shall no longer be pledged hereunder.

13. CONSTRUCTION FUND. Prior to delivery and sale of the Bonds, there shall be established a construction fund (the "Construction Fund"). After deducting the sums which are required to be deposited in the Bond Payment Fund, the balance of the proceeds of the Bonds shall be deposited into the Construction Fund. The moneys on deposit in the Construction Fund from time to time shall be used solely for the purpose for which the Bonds were issued. Any unexpended balance shall be used for such purposes as allowed by law. Any monies remaining in the Construction Fund after payment of all such costs shall be transferred to the Bond Payment Fund. After completion of the Improvements and disposition of any remaining bond proceeds, pursuant to the provisions of this Section, the Construction Fund shall be closed.

14. INVESTMENT OF FUNDS. Moneys in the funds and accounts established herein may be invested by the City as allowed by law, subject to the limitations imposed by arbitrage regulations and Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder (collectively the "Code").

15. DEPOSITORY AND FUNDS ON HAND. Monies in the several funds and accounts maintained pursuant to this Resolution may be kept in one or more accounts at financial institutions designated by resolution of the City, and if kept in one account, the monies shall be allocated on the books and records of the City in the manner and at the times provided in this Resolution.

16. ADDITIONAL BONDS. In accordance with the provisions of Act 34, the City reserves the right to issue additional bonds, which shall be of equal standing and priority with the Bonds.

17. SALE OF BONDS. The Authorized Officer is hereby authorized to negotiate the sale of the Bonds to a bank, financial institution or underwriter selected by the Authorized Officer or to circulate or to cause to be circulated a request for proposals to purchase the Bonds and to negotiate the sale of the Bonds to such banks and financial institutions as the Authorized Officer shall determine (the "Purchaser"). The City determines that a negotiated sale is in the best interest of the City because its relationships with local banking institutions may provide

a low interest rate while also saving on the costs of issuance for the Bonds and will provide flexibility to respond to market conditions.

Notwithstanding the foregoing, if the Authorized Officer determines that a competitive sale would be in the best interests of the City, the Bonds shall be sold pursuant to a competitive sale. The Authorized Officer is hereby authorized to approve an Official Notice of Sale for the Bonds and publish the same in accordance with law in The Bond Buyer at least seven days before the date set for the sale of the Bonds. An Official Notice of Sale for the Bonds shall set forth, with respect to the Bonds, the principal amount, principal maturities and dates, maximum interest rates, interest payment dates, redemption provisions, if any, as well as such other terms and provisions as the Authorized Officer determines to be necessary or appropriate in connection with the sale of the Bonds. Sealed bids for the purchase of the Bonds shall be received up to such time as shall hereafter be determined by the Authorized Officer. Following the receipt of bids for the Bonds, the Authorized Officer is authorized to award the Bonds to the successful bidder therefor or reject all bids and negotiate the sale of the Bonds with a selected purchaser.

18. AUTHORIZED OFFICER. Notwithstanding any other provision of this Resolution, the Mayor, City Manager and Finance Director of the City, or any one or more of them (the "Authorized Officer"), are authorized within the limitations set forth below to determine the title of the Bonds, the interest rate or rates, maximum interest rate, amount of discount or premium, amount of maturities, principal amount, amount of good faith deposit, if any, denominations, dates of issuance, dates of maturities, interest payment dates, optional and mandatory redemption rights, and term bond options. The authority granted to the Authorized Officer by this Section, is subject to the following limitations:

- a) The par amount of the Bonds shall not exceed \$4,300,000.
- b) The interest rate on the bonds shall not exceed five percent (5%) per annum.
- c) The final maturity date of the Bonds shall not be later than twenty-five (25) years after the date of issuance of the Bonds.
- d) The Bonds shall not be sold at a price of less than 98.00% of the par value of the Bonds.
- e) In addition, the Authorized Officer is authorized to agree to such fees as may be included in the proposal of the Purchaser.

The Authorized Officer is hereby authorized for and on behalf of the City, without further City Council approval, to: (a) enter into a Bond Purchase Agreement or otherwise award the sale of the Bonds; (b) engage a placement agent; (c) engage a municipal advisor; (d) cause the preparation of a preliminary official statement and a final official statement for the bonds, if necessary; (e) deliver a certificate of the City to comply with the requirement for a continuing disclosure undertaking of the County pursuant to subsection (b)(5) or (d)(2) of SEC Rule 15c2-12, if necessary (f) acquire municipal bond insurance for the Bonds and sign a commitment and any documents necessary therefor, including an order containing such terms as may be needed for the bond insurance, and (g) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds.

Approval by the City of the matters delegated in this section or any other sections may be evidenced by execution or approval of a Sale Order or such documents by the Authorized Officer. The Authorized Officer, together with the Clerk and the Treasurer, or any one of them or more of them, is authorized to execute any documents or certificates necessary to complete the transaction, including, but not limited to, any applications including applications to the Michigan Department of Treasury (including an Application for State Treasurer's Approval to Issue Long-Term Securities, applications for waivers, and the submission of any supporting or related documents), any certificates, receipts, orders, agreements, instruments, security reports, a blanket letter of representations, and any certificates relating to federal or state securities laws, rules or regulations, and to pay any fees required by the State of Michigan.

19. TAX COVENANT. The City covenants to comply with all requirements of the Code necessary to assure that the interest on the bonds will be and will remain excludable from gross income for federal income tax purposes. The Authorized Officer and other appropriate officials of the City are authorized to do all things necessary (including the making of such covenants of the City as shall be appropriate) to assure that the interest on the Bonds will be and will remain excludable from gross income for federal income tax purposes.

20. QUALIFIED TAX-EXEMPT OBLIGATION. The City reasonably anticipates that the amount of qualified tax-exempt obligations which will be issued by the City and all subordinate entities during the calendar year 2020 shall not exceed \$10,000,000. The City hereby designates the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3)(B) of the Code.

21. DEFEASANCE. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the bonds, shall be deposited in trust, this Resolution shall be defeased and the owners of the bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest on the bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange bonds as provided herein.

22. BOND COUNSEL. The firm of Dickinson Wright PLLC is hereby employed as bond counsel to the City for the issuance of the Bonds and the Authorized Officer is authorized to sign an engagement letter with bond counsel with such fee as is provided in the financial report for the Bonds. The City acknowledges that Dickinson Wright PLLC represents a number of financial institutions, including financial institutions that may potentially purchase the Bonds, and consents to Dickinson Wright PLLC's representation of the City as bond counsel and, and waives any conflict of interest arising from such representation of a financial institution or underwriter that may purchase the Bonds in other matters not involving the City.

23. RESOLUTION SUBJECT TO MICHIGAN LAW. The provisions of this Resolution are subject to the laws of the State of Michigan.

24. SECTION HEADINGS. The section headings in this Resolution are furnished for convenience of reference only and shall not be considered to be a part of this Resolution.

25. SEVERABILITY. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

26. CONFLICT. Except as provided above, all resolutions or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed; provided, that the foregoing shall not operate to repeal any provision thereof, the repeal of which would impair the obligation on the Bonds.

27. EFFECTIVE DATE OF RESOLUTION. This Resolution is determined by the City Council to be immediately necessary for the preservation of the peace,

health and safety of the City and shall be in full force and effect from and after its passage.

Councilperson Cunliffe seconded. Adopted with a vote of (7) Ayes: Hoppough, Lehman, Cunliffe, Linton, Barrus, Moss and Scoby; (0) Nays; and (0) Absent.

Councilperson Cunliffe MOVED: The meeting be adjourned. Councilperson Moss seconded. Unanimously adopted.

Meeting adjourned at 6:25 p.m.

John M. Hoppough
Mayor

Norice Rasmussen
Clerk-Finance Director